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SOURCE Newspapers as indicated.

SINO-CZECH TRADE PACT TO AID CHINESE INDUSTRIALIZATION

MINISTERS GIVE OPINIONS ON TRADE PACT -- Hong Kong Ta Kung Pao, 23 Jun 50

22 June (Hsin-hua) -- Foreign Minister Chou En-lai was interviewed by a correspondent of the Czechoslovak newspaper Rude Pravo on 14 June 1950 regarding the Sino-Czech trade agreement. His comments were as follows:

Question: What is your opinion about this trade agreement?

Answer: This agreement means the beginning of important economic and friendly relations between the two countries. The agreement should also stimulate economic reconstruction in both countries and step up the industrialization of China.

Question: How will such cooperation aid the world-peace camp?

Answer: Economic cooperation between our two countries will strengthen the friendly relations existing between China and Czechoslovakia. This is a great contribution to the world democratic peace camp of which the USSR is the leader.

The Czechoslovak Minister of Foreign Trade was interviewed by a Rude Pravo correspondent on the Sino-Czech trade agreement as follows:

Question: What economic significance does this agreement have for Czechoslovakia?

Answer: This agreement will link the economies of both countries and insure ample supply of industrial raw materials for our country and a large market for our products. Thus the living standard of the Czech people will be raised considerably.

During this year, this agreement will result in our obtaining a large amount of vital material and goods, especially such items as industrial raw materials which we had to import from the capitalist countries. The largest

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import item, vegetable oil raw materials, will be amply supplied this year from China, the USSR, and other people's democracies.

Other items which will be imported from China are leather, tin, lead, mercury, mica, asbestos, hemp, hog bristles, tea, egg products, and animal products. Czechoslovakia's main exports to China will be heavy industry machinery and steel products which are needed to build up Chinese industry. Other exports to China will include locomotives, trucks, rubber, chemical, and pharmaceutical products.

Question: When will the first transaction of goods take place?

Answer: Both countries are planning to begin trade as soon as possible. Within a few days a Czech ship will leave port for China. The Chinese are also preparing a ship to sail soon.

#### SHANGHAI APPROVES IMPORTING OF SCRAP PAPER -- Hong Kong Ta Kung Pao, 24 Jun 50

Shanghai, 23 June -- The East China District Foreign Trade Control Bureau and the Shanghai Customs House jointly announced on 22 June that, effective immediately, scrap paper may be imported through ports in East China under the following conditions approved and being executed by the Financial and Economic Commission of the Central People's government:

1. Scrap paper may be imported, but only as raw material for the production of paper. It will be taxed according to Section 544-a of the Customs Tariff Regulation.
2. Paper manufacturers applying to import scrap paper must submit to the Foreign Trade Control Bureau a written statement asserting that the scrap paper will be used only as raw material for the production of paper.

The Financial and Economic Commission of the Central People's government, in February 1950, issued the above regulations and reduced the customs tariff on imported scrap paper from 40 to 12.5 percent to encourage domestic manufacturers to produce more paper, and to reduce the import of foreign paper. At the same time, to prevent the use of scrap paper for purposes other than to make paper, it set forth the above regulations, and enforced a rule that all scrap paper be cut to pieces in the presence of customs officials before being moved from the wharf.

#### TO PERMIT IMPORTATION OF ZINC CHLORIDE -- Tientsin Chin-pu Jih-pao, 2 Apr 50

Tientsin -- To supplement the insufficient domestic supply of zinc chloride required by China's developing industries, the Customs Administration has placed this chemical on the list of those articles whose regulated importation is specially permitted.

#### MINISTRY OF TRADE SETS UP NEW CONCERN -- Tientsin Chin-pu Jih-pao, 2 Apr 50

Tientsin -- The North China Coal and Iron Company upon orders from the Ministry of Trade wound up its affairs on 31 March 1950 and was reorganized as the Tientsin branch of the China Coal and Building Material Company. The latter is to operate in the Peiping, Tientsin, and T'ang-shan areas, and deal in coal, iron, lumber, and cement. In 1950, it expects to handle 230,000 cubic meters of lumber from the Northeast, some of which has already arrived. T'ai-yuan has sent buyers to this company in Tientsin to purchase lumber for its needs.

North China is continuing to supply three trainloads of coal (per day) to East China, with a small part of this going to points in the South and Central Regional District.

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